robusta) to gain market share in the global markets at the expense of other origins, specially India, which produces both arabica and robusta coffee.

In order to expand the market share of Indian coffee in key international markets as well as to maximise the export earnings, the Coffee Board is implementing a medium term export strategy prepared through a private consultant. To this end, the Board is also undertaking promotional campaigns in key overseas markets besides participating in the major international trade events. Further, in order to reduce the handling costs and making the Indian coffee competitive *vis-a-vis* other origins, the Coffee Board also implemented a scheme, under which financial assistance upto Rs. 500 per tonne was provided to the Indian coffee exporters.

In addition, the Coffee Board has instituted export excellence awards to encourage the Indian Coffee exporters to produce better coffees and also speciality coffees, which fetch attractive premiums in the world market.

Export of trade and services to Sri Lanka

1257. SHRI VIJAY J. DARDA: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) the quantum of export of trade and services with Sri Lanka during the last two years;

(b) the percentage of increase India visualises after Comprehensive Economic Partnership Agreement comes into effect; and

(c) the salient points of 'additional flexibility' envisaged in the recommendations on the Rules of Origin Group cochaired by the Deputy Governor of RBI?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI SATYABRATA MOOKHERJEE): (a) The data in respect of export of goods from India to Sri Lanka for the last two years is as follows:

Year	Value (Rs. Crores)
2001-2002	3009
2002-2003	4457

(Source: DGCI&S, Kolkata)

As per the latest WTO report, the value of exports of commercial services made by India in 2002 is placed at US $ 20.7 billion constituting 1.3% of the world exports of commercial services. The rate of growth of export of commercial services in 2002 over the previous year was 8% in dollar terms. However, country-wise data is not maintained.

(b) In its report on India-Sri Lanka Comprehensive Economic Partnership Agreement (CEPA), the Joint Study Group has highlighted the following goals for the CEPA.

"In order to measure the effectiveness and success of the CEPA, it will be beneficial to set up long term bilateral trade goals and define a time frame for their achievement. For example, presently India accounts for 3.6 per cent of Sri Lanka's total exports. It could be targeted to increase to 10 per cent by 2008. On the other hand, India's total exports to Sri Lanka are only 14 per cent of Sri Lanka's imports, which could be targeted to double by 2008. This is based on the assumption that the global exports to India and Sri Lanka would grow at a rate of 10-12 per cent and the trade between the two countries would grow at four times that rate. Similar targets can be established for bilateral investment between the two countries, since there is much potential for growth in a supportive environment. Goals could also be set in key service sector industries. For example, each nation sets targets aimed at increasing substantially the number of tourist arrivals from the other country by 2008".

(c) The Rules of Origin are criteria to determine the nationality of goods (where they are made, produced etc.). They are crucial in any bilateral or regional performance or free trade arrangement in order to prevent trade deflection (i.e. to ensure that such arrangements are not used to route third country products to the participating countries). The Joint Study Group (JSG) has recommended that the Rules of Origin (RoO) criterion should be such that it ensures that only products with genuine value addition are granted originating status.